

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:	§	Case No. 83-03094-H5-7
	§	
SABINE INDUSTRIES	§	(Chapter 7)
INCORPORATED,	§	
	§	
DEBTOR	§	

TRUSTEE'S MOTION FOR TURNOVER

NOTICE PURSUANT TO LOCAL RULE 9013

THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THIS MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEYS.

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Comes now Lowell T. Cage, Trustee of the estate of Sabine Industries, Inc., and would respectfully represent to the Court as follows:

1. This case was commenced by the filing of a voluntary chapter 11 petition by Sabine Industries, Inc. (Debtor) on July 18, 1983. The case was converted to chapter 7 on October 22, 1985. Lowell T. Cage, Trustee ("Trustee") was appointed Trustee of this estate on November 4, 1985. The case was administered and closed by Final Decree entered on December

19, 1994. Upon learning of unadministered assets, the Trustee moved to reopen the case, which was granted by Order entered on March 16, 2011.

2. Property of this estate includes a mineral interest described as a .00901705 non-participating royalty interest in an approximately 4363 acre lease unit located in Liberty County, Texas (the "Property"), more accurately described in the Exhibit A attached hereto. This asset was not scheduled by the Debtor, nor was the Trustee ever informed of its existence until recently¹. As such, the Property has not been abandoned and remains property of the estate. 11 U.S.C. §§ 554(c) and (d).

3. Cimarex Energy Co. ("Cimarex") and Ballard Exploration Co. ("Ballard") currently operate wells on the Property: Kerr-McGee No. 1 f/k/a/ Ranchero No. 1; Kerr-McGee No. 2 and Kerr-McGee No. 3. As of the filing of this motion, Cimarex has accumulated approximately \$552,000.00 in suspense attributable to the interest of the estate in production from the Property. As of the filing of this motion, Ballard has accumulated approximately \$507,000.00 in suspense attributable to the interest of the estate in production from the Property. Cimarex and Ballard have agreed to turnover such funds to the Trustee, and to continue to turn over revenues attributable to the estate's interest in future production on a regular basis according to their typical business practices. However, Cimarex and Ballard have requested that the Trustee obtain an order, after providing notice to all persons and entities that may claim an interest in the funds, authorizing and directing them to turnover such funds to the Trustee.

4. Accordingly, the Trustee requests that this Court after such notice authorize and direct Cimarex and Ballard to turnover funds from production of the estate's interest to the Trustee, and to continue to turnover revenues attributable to the interest from future production

¹ Real property records reflect the owner of the Property as The Reed Company, a predecessor-in-interest to the Debtor.

on a regular basis according to their typical business practices. Cimarex and Ballard have agreed that this request to the Court may be made in the form of a motion, thereby waiving the requirement of an adversary proceeding pursuant to Bankruptcy Rule 7001.

WHEREFORE, Trustee prays that the Cimarex Energy Co. and Ballard Exploration Co. after such notice be authorized and directed to turnover funds from production of the estate's interest to the Trustee, and to continue to turnover revenues to the Trustee attributable to the estate's interest from future production on a regular basis according to their typical business practices; and that the Trustee be granted such other and further relief to which he may be justly entitled.

Respectfully submitted,

/s/ Timothy L. Wentworth

TIMOTHY L. WENTWORTH
TBN 21179000

OF COUNSEL:
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ATTORNEYS FOR LOWELL T.
CAGE, TRUSTEE

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of Trustee's Motion for Turnover has been served by U.S. Mail, postage prepaid, on the 27th day of June, 2011, upon the parties listed on the attached service list.

/s/ Timothy L. Wentworth

Timothy L. Wentworth

SABINE INDUSTRIES
SERVICE LIST
Order Limiting Notice Entered April 29, 1987

Attorney for Ballard Exploration Co:

Kenton L. Wilson
Wilson, Johnson & Stephens, L.L.P.
2603 Augusta, Suite 1150
Houston, Texas 77057

Attorney for Cimarex Energy Co.:

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GableGotwals
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Tulsa, OK 74103-4217

Internal Revenue Service
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Houston, Texas 77002

Attorney General of the United States
10th and Constitution Avenue, NW
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United States Attorney
PO Box 61129
Houston, Texas 77208

Texas Comptroller of Public Accounts
PO Box 149348
Austin, Texas 78714-9348

Texas Comptroller of Public Accounts
Revenue Accounting Div - Bankruptcy Section
PO Box 13528
Austin, Texas 78711-3528

Texas Employment Commission
Tax Department Bankr. Rm.556
101 East 15th Street
Austin, TX 78778

US Trustee
Office of the US Trustee
515 Rusk Ave, Ste 3516
Houston, TX 77002

Kenneth D. Monigold
P.O. Box 191577
Dallas, Texas 75219

Margaret A. Hoard
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Tax Division – Bankruptcy Sect.
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Austin, TX 78711-2548

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1737 Chestnut St., Suite 1200
Philadelphia, PA 19103

Silsbee Independent School District
c/o Martin Dies
712 Division St.
Orange, TX 77630

Asbestors Workers Local #22
Pension Trust
3219 Pasadena Blvd.
Pasadena, TX 77503

Pabco Insul. Division of Fibreboard Corp.
P.O. Box 1328
Ruston, LA 71270

Texas Employers Insurance Assoc.
P.O. Box 5410
Beaumont, TX 77706

Harbison-Walker Refractories
2 Gateway Center
Pittsburgh, PA 15222

Selby, Battersby & Co.
5220 Whitby Ave.
Philadelphia, PA 19143

Owens-Corning Fiberglass Corp.
Fiberglass Tower
Toledo, OH 43659

Pittsburgh Corning Corp.
800 Presque Isle Dr.
Pittsburgh, PA 15239

Babcock & Wilcox Co., Inc.
1010 Common St.
New Orleans, LA 70112

Goodtemp 1500, Inc.
P.O. Box 40368
Houston, TX 77040

Richard Gill Co.
855 W. Price Rd., Suite 26
Brownsville, TX 78520

CPR Division, The Upjohn Co.
P.O. Box 2978
Torrance, CA 90509

Railton Mfg., Inc.
P.O. Box 2782
Houston, TX 77002

Northwestern National Life Insurance
20 Washington Ave., South
Minneapolis, MN 55440

Vermiculite Products, Inc.
c/o Douglas King
9800 Richmond, Suite 100
Houston, TX 77042

J.T. Thorpe Co.
P.O. Box 33399
Houston, TX 77033

J.J. Hoard
1900 Burton St.
Orange, TX 77630

Alcan Aluminum Corp.
P.O. Box 6977
Cleveland, OH 44101

New Process Steel Corp.
P.O. Box 55025
Houston, TX 77255

Briggs-Weaver, Inc.
5000 Harry Hines Blvd.
Dallas, TX 75235

South Texas Laborers Health
& Welfare Trust Fund
7322 S.W. Freeway, Suite 750
Houston, TX 77074

Martin Nathan
2435 North Blvd.
Houston, TX 77098

Premetco
P.O. Drawer D
Shreveport, LA 71164

Service Properties, Ltd.
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Orange, TX 77630